

College Student Credit Cards

Credit Cards for College Students: How to Make the Right Selection.

Credit card companies have changed their marketing strategy recently, electing to go after young consumers instead of targeting folks with established credit history. This is exciting for students, but it can also be a scary proposition. If used responsibly, credit cards can be used as a building block for better credit. If you get the wrong card or you use it without proper discretion, then your credit card could be the beginning of the end for your credit rating.

Start small

As a college student, there is absolutely no reason to go nuts when picking out your first credit card. Sure, a \$2,000 credit line might sound nice, why on earth would you ever need that much? Having that much credit is a recipe for disaster if you aren't used to having a card. Instead of going for the most over the top offer out there, choose a smaller line of credit and work your way up to something more substantial. Once you get the hang of making payments every month and how credit cards work, then you can start using it more.

Reading the Small Print

With so many offers coming in the mail and through email, students might be tempted to bypass the important details that make each card unique. Though they might all have fancy advertising and many of the cards will feature some of the same deals, they are not created equally. Make sure to take the time to read all of the small print and figure out the different details associated with each card. For instance, how long is your grace period? Does the card feature an introductory rate that will change over time? What happens if I am late with a payment? These are all questions that have very important answers and it is in your best interest to make sure that you know each and every answer before signing on with a card company.

Stay away from multiple cards

Even if you are the most responsible user of credit out there, having too many cards can make it very difficult for you to gain other types of credit in the future. Everyone knows that late payments and missed payments will take a toll on your credit history over time, but few people talk about the fact that having a lot of credit will make it hard for you to get student loans or more important lines of credit in the future. When it comes time to finance a vehicle or purchase a house, you want lenders to know that they are dealing with a responsible person. Having too much credit tied up in credit cards can detract from that.

Student credit cards can be a blessing or a curse, depending upon what you do with them. Make your choice carefully and when you get your hands on a card, use it responsibly. Otherwise, you could suffer from long term consequences associated with ruining your credit score.